CDBG-DR Community Infrastructure

Grant Planning

Board of Commissioners Briefing

July 21st, 2026

North Carolina CDBG-DR Allocation Overview

- **$1.4B total** Community Development Block Grant – Disaster Recovery (CDBG-DR) award from the Dept. of Housing and Urban Development
- **Emphasizes Housing Repair**
  - Owner-occupied, single-family program run by the state = ~60% of total funding
- **Competitive Programs**
  - Multi-Family Housing Construction*
  - ***Community Infrastructure***
  - Commercial District Revitalization
  - Workforce Housing Opportunities

Program	Allocation
RenewNC (single family housing repair and reconstruction)	$860M
Community Infrastructure	***$192M***
Multi-Family New Construction	$190M
Commercial District Revitalization	$111M

*"Large" funding will be managed through NCHFA

Community Infrastructure

- **Total Funding Available**: $192M
- **Funding in First Round:** $55M
- **Max Award**: $15M
- **Eligible Applicants**
  - Local Governments
- No grant match required
- All “Most Impacted and Distressed” areas (MIDs) are eligible

Program Focus for First Round of Funding

- Shovel Ready Projects
- Projects that address unmet disaster needs
  - Restoring access to essential services
  - Repairing critical infrastructure
  - Strengthening community resilience
- Priorities for First Round of funding:
  - Water and Sewer (10 points)
  - Parks and Recreation Facilities (7 points)
  - Roads and Bridges (4 points)
- **Ineligible** project examples:
  - Emergency Operation Centers
  - Vehicles, non-permanently installed equipment, and routine maintenance
  - Projects located in Buncombe County that are also located within the City of Asheville

Community Infrastructure – Project Eligibility

In order to be eligible, projects must meet three criteria:

Tie-Back to the Storm	HUD National Objective	Eligible Activity Under Action Plan
Clear and documented connection between the proposed activity and the impacts of the disaster: - Physical damage - Economic damage - Vulnerability revealed or exacerbated by TS Helene - Mitigation needs	- Low- to moderate-income benefit (primary) - Urgent Need (secondary) - Eliminating slum and blight (secondary)	*Identified HUD-eligible activities in the Action Plan. The Commercial District Revitalization program prioritizes:* - Physical recovery from storm damage in commercial areas - Mitigation activities

Staff will consider alignment with Helene Recovery Plan and community feedback for other planning processes (Swannanoa SAP, Ped Plan, etc.) while developing potential projects.

Community Infrastructure Timeline and Next Steps

February 2026
Pre-Screening Open

July 6th
Application Open

2 months
Develop Projects in Accordance with NOFO

*August 18th**
Public Hearing #1

Public Comment

September 8th
Submit Applications by Deadline

**Dates are tentative and subject to change.*

Potential Projects



Buncombe County Parks Recovery & Resilience

- Goal: Rebuild Buncombe County Parks damaged by Hurricane Helene (Owen, Alexander, Lake Julian, etc.) to restore park services to pre-Helene levels and mitigate against future disasters; repairs will be made in alignment with future mitigation needs and community vision.
- Unmet Needs
  - Insufficient funding to complete repairs to Park System
  - Park Services have not yet been fully restored
- Deliverables
  - Restore and reconstruct critical park infrastructure damaged by Hurricane Helene
  - Rebuild park facilities and recreational amenities
  - Implement flood mitigation and ecological restoration measures
  - Enhance long-term resilience and accessibility
- Project Status
  - Pre-screening submitted to the State

Ferry Road Infrastructure to Enable Affordable Housing

- Goal: Build and improve essential road infrastructure that will enable the development of affordable housing on the Ferry Road Affordable Housing Community site.
- Unmet Needs
  - Hurricane Helene damaged and destroyed 6,505 units of rental housing in Buncombe County, to date there has been insufficient funding to repair and replace rental units, deepening our existing affordability crisis.
  - The Ferry Road site lacks the infrastructure necessary to construct replacement rental units.
- Deliverables
  - Construct 0.65 miles of access road
  - Repair existing Ferry and Dry Ferry Roads
  - Enable affordable housing development
- Project Status
  - Pre-screening submitted to the State

Community Resilience at County-Owned Facilities

- Goal: Provide comprehensive permanent power redundancy system for the county's critical facilities.
- Unmet Needs:
  - During the response period following the storm, our community lacked sufficient locations where residents could receive critical services
  - Facility upgrades are needed to improve existing county facilities, provide critical services, and mitigate against future events
- Deliverables: Generators, controllers and battery energy storage systems at the county’s critical facilities.
- Project Status
  - Pre-screening submitted to the State

DISCUSSION

Buncombe County Community Infrastructure Project Idea Summary

Project Concept	Tie-Back to the Storm	National Objective	Eligible Activity
Buncombe County Parks Recovery & Resilience	Physical damage to Parks	Urgent Need	Yes, restores access to services and meets priority for repair of public parks
Ferry Road Infrastructure to Enable Affordable Housing	Damaged and destroyed renter-occupied units	Benefit to low- to moderate-income clientele	Yes, physical improvement and road infrastructure to enable affordable housing
Sustainability Project	Improvements to essential facilities and mitigation for future events	Urgent Need	Yes, physical improvements to critical infrastructure and mitigation for future events

Next Steps

- Community Infrastructure grant application is OPEN
  - Next six weeks, grant application development
    - Staff will develop projects in accordance with the Notice of Funding Opportunity
  - **August 18th,** return for Public Hearing
  - **September 1st,** return to provide overview of public comment process and request authorization to submit proposed applications
  - **September 8th**, CDBG-DR Community Infrastructure Application Closes
  - After application closes:
    - State Evaluation and Award: *no timeline*
    - Post-Award Requirements (NEPA, reporting, compliance, second public hearing, etc.): *no timeline*
- For awareness, second Notice of Funding Opportunity (NOFO) anticipated in Fall 2026
  - Staff are developing additional projects based on the CDBG-DR eligible activities and Helene Recovery Plan

Citizen Participation Plan

- 8/18/2026* - **first public hearing**.
  - Public notice of the hearing must be published at least 10 days prior.
  - Note: per guidelines for the Community Infrastructure grant opportunity, a second public hearing is required after notification of award.

- **Public comment period** will open when the first Public Hearing is noticed and will remain open for a four-week period.
  - All information related to the process for submitting comments will be provided at the 8/18* regular meeting and in the public notice prior to the comment period opening.

- **Second public hearing – TBD pending notification of award**
  - The Division of Community Revitalization has provided guidance that a Second Public Hearing required after notification of award
  - Public notice of the hearing must be published at least 10 days prior.

**Dates are tentative and subject to change.*

APPENDIX

Overview: CDBG-DR Basics

- CDBG-DR: appropriated by Congress and allocated by HUD to rebuild disaster-impacted areas by funding **housing, infrastructure,** and **economic revitalization** activities
- Uses of CDBG-DR funds must meet three basic criteria:
  1. ***Tie-back to the Disaster*** by addressing a direct or indirect impact
  2. ***Meet a CDBG National Objective***: Benefit LMI persons, prevent or eliminate slums/blight, or address an urgent need
     - 70% of DR funds must benefit LMI persons
  3. ***Eligible Use*** under section 105 of the Housing and Community Development act or be allowed by waiver
- Funds must benefit the **Most Impacted and Distressed (MID)** areas
  - 80% of funds must be spent in HUD-identified MIDs
  - Further defined in the Action Plans
- "Funding of last resort": projects require duplication of benefit analysis
  - Funds can benefit FEMA-PA or HMGP projects OR "stand alone" unmet needs

Overview: CDBG-DR Process

- Funding Recipients must publish detailed documents and engage communities in order to justify expenditure of funds:
  1. Action Plan
  2. Programs & Policies
  3. Notice of Funding Opportunity
- Recipients can manage funds by:
  1. **Managing programs** (ex: DCR's RenewNC Single Family program)
  2. Awarding funds to **subrecipients** to manage activities (ex: the city of Asheville's Small Business Support Program)
  3. Awarding through **competitive NOFOs** (ex: COA's Multi-Family NOFO, the upcoming State CI and CDR opportunities)

North Carolina Competitive Grant Program Timeline

	Action Plan	Policies and Procedures	*Pre-Screening*	Notice of Funding Opportunity #1	Notice of Funding Opportunity #2
Multi-Family Housing Large Construction (LIHTC)	Completed	Completed	*N/A*	N/A*	N/A
Multi-Family Housing Large Construction (non-LIHTC)	Completed	Completed	*Open*	Opened June 25th	N/A
Community Infrastructure	Completed	Completed	*Open*	Opened July 6th	Anticipated Fall 2026
Commercial District Revitalization	Completed	Completed	*Open*	Opened on April 6th	Anticipated Fall 2026

*The State is working with NCHFA to manage the funding for "Large" projects (LIHTC).